

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W

W-02470A  
White Mountain Water Company  
PO Box 1760  
Payson, AZ 85547

**RECEIVED**

APR 02 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

**ANNUAL REPORT**

**FOR YEAR ENDING**

12	31	2007
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FOR COMMISSION USE

ANN 04	07
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PROCESSED BY:

4-3-08

SCANNED

## COMPANY INFORMATION

Company Name (Business Name) White Mountain Water

Mailing Address PO Box 1760  
(Street)  
Payson AZ 85547  
(City) (State) (Zip)

928-468-8558 928-521-1000  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address joncheney@hotmail.com

Local Office Mailing Address \_\_\_\_\_  
(Street)  
\_\_\_\_\_  
(City) Same (State) (Zip)

Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: Jon Cheney operator  
(Name) (Title)

PO Box 1760 Payson AZ 85547  
(Street) (City) (State) (Zip)

928-468-8558 928-521-1000  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address joncheney@hotmail.com

On Site Manager: \_\_\_\_\_  
(Name)  
\_\_\_\_\_  
(Street) Same (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Jon Cheney  
(Name)

793 Highline Dr. Payson AZ 85541  
(Street) (City) (State) (Zip)

928-468-8558 928-521-1000  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street) (City) (State) (Zip)

\_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |  |                                   |                                   |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE            | <input type="checkbox"/> COCHISE  | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA              | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ            | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE   |
| <input checked="" type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ        | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE         |                                   |                                   |

COMPANY NAME

White Mountain Water

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	2140	2140	-0-
302	Franchises	-	-	-
303	Land and Land Rights	8,000	-0-	8,000
304	Structures and Improvements	1,719	1,719	-0-
307	Wells and Springs	62,667	22,835	39,832
311	Pumping Equipment	28,889	26,857	2032
320	Water Treatment Equipment	-	-	-
330	Distribution Reservoirs and Standpipes	39,900	29,964	9936
331	Transmission and Distribution Mains	139,589	139,589	-0-
333	Services	39,534	39,534	-0-
334	Meters and Meter Installations	4,552	4,552	-0-
335	Hydrants	28,000	28,000	-0-
336	Backflow Prevention Devices	-	-	-
339	Other Plant and Misc. Equipment	475	475	-0-
340	Office Furniture and Equipment	-	-	-
341	Transportation Equipment	-	-	-
343	Tools, Shop and Garage Equipment	-	-	-
344	Laboratory Equipment	-	-	-
345	Power Operated Equipment	383	383	-0-
346	Communication Equipment	-	-	-
347	Miscellaneous Equipment	-	-	-
348	Other Tangible Plant	-	-	-
	<b>TOTALS</b>	<b>355,848</b>	<b>296,048</b>	<b>59,800</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

White Mountain Water

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	2140	—	0
302	Franchises	—	—	—
303	Land and Land Rights	8,000	—	—
304	Structures and Improvements	1,719	—	—
307	Wells and Springs	62,667	2.4	1531
311	Pumping Equipment	28,889	.425	123
320	Water Treatment Equipment	—	—	—
330	Distribution Reservoirs and Standpipes	39,900	1.48	592
331	Transmission and Distribution Mains	139,589	—	—
333	Services	39,534	—	—
334	Meters and Meter Installations	4,552	—	—
335	Hydrants	28,000	—	—
336	Backflow Prevention Devices	—	—	—
339	Other Plant and Misc. Equipment	475	—	—
340	Office Furniture and Equipment	—	—	—
341	Transportation Equipment	—	—	—
343	Tools, Shop and Garage Equipment	—	—	—
344	Laboratory Equipment	—	—	—
345	Power Operated Equipment	383	—	—
346	Communication Equipment	—	—	—
347	Miscellaneous Equipment	—	—	—
348	Other Tangible Plant	—	—	—
	<b>TOTALS</b>	<b>355,848</b>	<b>—</b>	<b>2,246</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

COMPANY NAME

White Mountain Water

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 45,348.38	\$ 35,932.79
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 45,348.38	\$ 35,932.79
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 324,544	\$ 355,849
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	294,818	296,048
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 29,726	\$ 59,801
	<b>TOTAL ASSETS</b>	\$ 75,074	\$ 95,733

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME White Mountain Water

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$	\$
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 13,018	\$ 13,018
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	143,218	143,218
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$ 143,218	\$ 143,218
	<b>TOTAL LIABILITIES</b>	\$ 156,236	\$ 156,236
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$ 35,000	\$ 35,000
211	Paid in Capital in Excess of Par Value	49,232	49,232
215	Retained Earnings	(165,394)	(144,735)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ (81,162)	\$ (60,503)
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 75,074	\$ 95,733

COMPANY NAME White Mountain Water

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 111,560.98	\$ 130,087.17
460	Unmetered Water Revenue		
474	Other Water Revenues	280	370
	<b>TOTAL REVENUES</b>	\$ 111,840.98	\$ 130,457.17
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water		
615	Purchased Power	7,711.62	7,679.35
618	Chemicals		240.00
620	Repairs and Maintenance	8,813.36	9,646.51
621	Office Supplies and Expense		
630	Outside Services	81,409.05	83,343.44
635	Water Testing	1,042.69	886.45
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability		
659	Insurance - Health and Life	2,113.00	2,175.00
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	1,330.00	2,246.00
408	Taxes Other Than Income		
408.11	Property Taxes	4,926.70	4,597.11
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	\$ 107,346.42	\$ 110,813.86
	<b>OPERATING INCOME/(LOSS)</b>	\$ 4,494.56	\$ 19,643.31
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$	\$
	<b>NET INCOME/(LOSS)</b>	\$ 4,494.56	\$ 19,643.31



COMPANY NAME

White Mountain Wafer

**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	12/85 renewed on 4/1/93			
Source of Loan	Jon Cheney			
ACC Decision No.				
Reason for Loan	Operating cost			
Dollar Amount Issued	\$ 85,000	\$	\$	\$
Amount Outstanding	\$ 13,018	\$	\$	\$
Date of Maturity	renewed annually			
Interest Rate	10 %	%	%	%
Current Year Interest	\$ —	\$	\$	\$
Current Year Principle	\$ —	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ — 0 —

Meter Deposits Refunded During the Test Year

\$ — 0 —

<b>COMPANY NAME</b>	White Mountain Water		
<b>Name of System:</b>	White Mountain Water	<b>ADEQ Public Water System Number:</b>	09-330

## WATER COMPANY PLANT DESCRIPTION

### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-511177	20	130	460	8"	2"	1984
55-581527	5	25	460	6"	2"	1999
55-212303	15	100	460	6"	2"	2007

\* Arizona Department of Water Resources Identification Number

### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
10	2	33	
15	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
65,000	2	5,000	1

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME

White Mountain Water

Name of System:

White Mountain Water

ADEQ Public Water System Number:

09-330

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)****MAINS**

Size (in inches)	Material	Length (in feet)
2	pvc	3300
3		
4		
5		
6	PVC	19,800
8	PVC	7,200
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	196
3/4	
1	
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

**TREATMENT EQUIPMENT:**

1 chlorinator

**STRUCTURES:**

12x12 pump house

**OTHER:**

*Note: If you are filing for more than one system, please provide separate sheets for each system.*

COMPANY NAME: White Mountain Water

Name of System: White Mountain Water ADEQ Public Water System Number: 09-330

### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2007

MONTH/YEAR	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	<del>195</del> 195	864		
FEBRUARY	<del>195</del> 195	858		
MARCH	196	939		
APRIL	196	1881		
MAY	196	3004		
JUNE	198	3339		
JULY	198	2551		
AUGUST	198	2203		
SEPTEMBER	198	2407		
OCTOBER	198	1672		
NOVEMBER	198	1210		
DECEMBER	198	804		
TOTALS →		21,732		

What is the level of arsenic for each well on your system? .006 ppb(1)  
*(If more than one well, please list each separately.)* .006 ppb(2) mg/l  
.006 ppb(3)

If system has fire hydrants, what is the fire flow requirement? 500 GPM for 2 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☒ Yes      ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
 ( ) Yes      ☒ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
 ( ) Yes      ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

COMPANY NAME White Mountain Water YEAR ENDING 12/31/2007

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2007 was: \$ 4,597.11

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

White Mountain Water Co.  
P.O. Box 1760  
Flagstaff, AZ 86001

Date 4/22/07

1155

Pay to the order of Navajo County Treasurer \$ 2,469.62

Two thousand, four hundred and sixty-nine and 62/100

National Bank

For 929-71-000

⑆122105320⑆ 2701004539⑆ 1155 ⑈0000246962⑈

Processed 05/17/07 \$2469.62 Ch# 1155

1157

0000000001 000073400

White Mountain Water Co.  
P.O. Box 1760  
Flagstaff, AZ 86001

Date 11/15/07

1186

Pay to the order of Navajo County Treasurer \$ 2,127.49

Two thousand, one hundred and twenty-seven and 49/100

National Bank

For 929-71-000-3

⑆122105320⑆ 2701004539⑆ 1186 ⑈0000212749⑈

Processed 11/15/07 \$2127.49 Ch# 1186

VERIFICATION  
AND  
SWORN STATEMENT  
Taxes

RECEIVED

APR 02 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF Arizona  
I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)	<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Jon Cheney President</u>
COMPANY NAME	<u>White Mountain Water Co</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

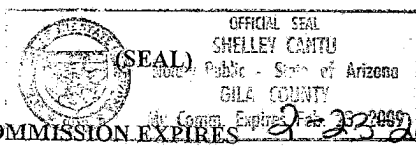
Jon Cheney  
SIGNATURE OF OWNER OR OFFICIAL  
928-521-1000  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 31st DAY OF

COUNTY NAME	<u>GILA</u>
MONTH	<u>March</u>
	<u>2008</u>



MY COMMISSION EXPIRES 2-23-2009

Shelley Cantu  
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME White Mountain Water YEAR ENDING 12/31/2007

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported \_\_\_\_\_  
Estimated or Actual Federal Tax Liability sub "s"

State Taxable Income Reported \_\_\_\_\_  
Estimated or Actual State Tax Liability /

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances \_\_\_\_\_  
Amount of Gross-Up Tax Collected /  
Total Grossed-Up Contributions/Advances \_\_\_\_\_

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

3/29/08  
DATE

Jon Cheney  
PRINTED NAME

President  
TITLE



VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

RECEIVED

APR 02 2008

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	<u>Navajo</u>
NAME (OWNER OR OFFICIAL) TITLE	<u>Jon Cheney</u>
COMPANY NAME	<u>White Mountain Water</u>

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 138,435.04

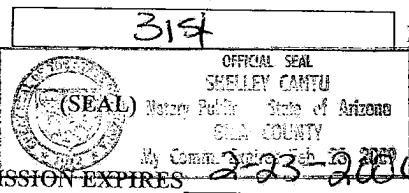
(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 7,977.87  
IN SALES TAXES BILLED, OR COLLECTED)

\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS



DAY OF

COUNTY NAME	<u>GILA</u>	
MONTH	<u>March</u>	<u>2008</u>

Jon Cheney  
SIGNATURE OF OWNER OR OFFICIAL  
928-521-1000  
TELEPHONE NUMBER

Shelley Cantu  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 2-23-2009

VERIFICATION  
AND  
SWORN STATEMENT  
**RESIDENTIAL REVENUE**  
Intrastate Revenues Only

**RECEIVED**

APR 02 2008

AZ CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Narajo</u>	
NAME (OWNER OR OFFICIAL) <u>Ten Cheney</u>	TITLE <u>President</u>
COMPANY NAME <u>White Mountain Water Co</u>	

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FOR THE YEAR ENDING

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SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 138,435.04

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 7,977.87  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

Ten Cheney  
SIGNATURE OF OWNER OR OFFICIAL

928-521-1000  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

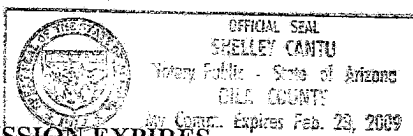
THIS

31st

DAY OF

NOTARY PUBLIC NAME <u>Shelley Cantu</u>	
COUNTY NAME <u>GILA</u>	
MONTH <u>MARCH</u>	YEAR <u>2008</u>

(SEAL)



MY COMMISSION EXPIRES

2-23-2009

X

Shelley Cantu  
SIGNATURE OF NOTARY PUBLIC